

NO POSITION
February 5, 2010

**STATE RETIREMENT SYSTEMS
STAFF REPORT ON LEGISLATION AFFECTING
THE STATE EMPLOYEES' RETIREMENT SYSTEM**

96th General Assembly

HOUSE BILL 4795 – Representative Lou Lang

PROPOSAL

House Bill 4795 amends the Liquor Control Act to transfer certain employees and resources from the Department of Revenue to the State Liquor Control Commission, effective July 1, 2010. The bill provides that the State Commission may appoint investigators that have all of the powers of police officers for the purposes of enforcing the Liquor Control Act.

COMMENT

Currently, investigators employed by the Department of Revenue are eligible for the SERS alternative formula, which generally provides higher retirement benefits and younger retirement ages than the SERS regular formula. Investigators that would be employed by the State Liquor Control Commission are not currently included as employees who are eligible for the SERS alternative formula. HB 4795 does not amend the Pension Code to make them eligible for the alternative formula.

The bill does provide that transferred employees would retain their current status and rights under any pension, retirement, or annuity plan after the transfer. **It appears the intent of this portion of the bill (page 2, lines 15 -19) is to allow investigators who are transferred from the Department of Revenue to the State Liquor Control Commission to remain in the alternative formula. But, Section 14-110 of the SERS Article of the Pension Code should be amended to add State Liquor Control Commission investigators as a group of employees that is eligible for SERS alternative formula coverage. Absent a change in Section 14-110 of the Pension Code, State Liquor Control Commission investigators would be covered by the SERS regular formula.**

RECOMMENDATION

It is the recommendation of staff that the system take no position on House Bill 4795.